



NEWS RELEASE



For Release: Wednesday, February 12, 2014

14-239-BOS

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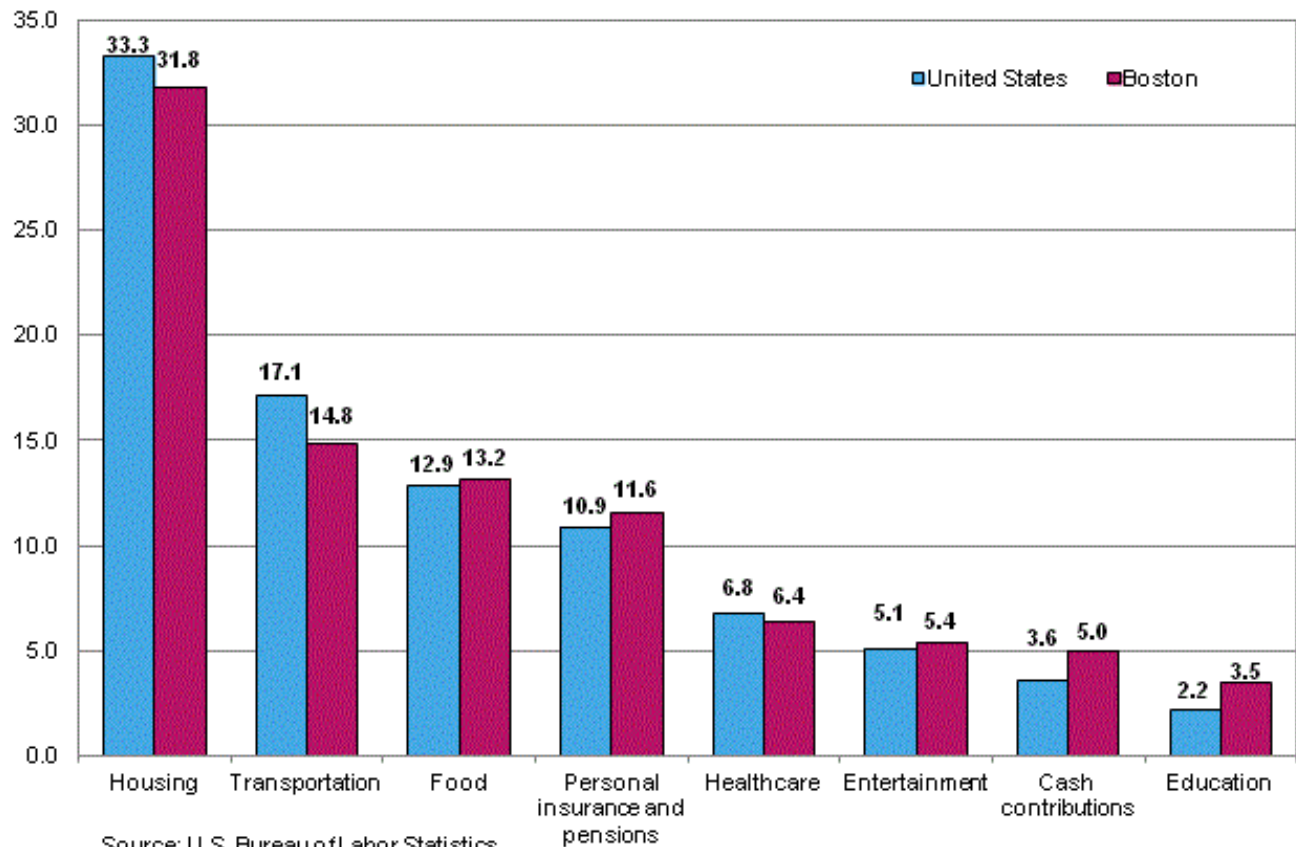
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Consumer Expenditures for the Boston Metropolitan Area: 2011-2012

Consumer units¹ in the Boston-Brockton-Nashua metropolitan area spent an average of \$64,982 per year in 2011-2012, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Deborah A. Brown, noted that this figure was over 28 percent above the \$50,581 average expenditure level for a typical household in the United States. Not only did households in the Boston area spend more than the U.S. average, they also allocated their dollars differently in 4 of the 8 major expenditure categories. For example, expenditures for education accounted for 3.5 percent of a household budget in Boston, significantly greater than the 2.2 percent national average. (See [chart 1](#) and [table 1](#).)

Chart 1. Percent distribution of average annual expenditures for eight major categories in the United States and Boston metropolitan area, 2011-2012

Expenditure Shares



Housing in the Boston area averaged \$20,637 annually and was the largest expenditure category, accounting for 31.8 percent of a Boston area household's total budget. (See tables 1 and 2.) This share was significantly below the 33.3-percent national average. Overall, 8 of the 18 published metropolitan areas had expenditure shares for housing significantly above the U.S. average while 3 had significantly lower-than-average shares. (See [chart 2.](#)) Housing expenditures among the 18 areas ranged from 39.7 percent in New York to 31.7 percent in Detroit. (See [table 3.](#))

The majority of housing expenditures in the Boston area went toward shelter, 61.0 percent, which includes mortgage interest, property taxes, repairs, and rent, among other items; nationwide, 58.5 percent of the average housing budget was allocated for shelter. (See [table A.](#)) Utilities, fuels, and public services expenses accounted for 19.6 percent of the housing budget locally; nationally, they made up 21.9 percent. The rate of home ownership in Boston was 63 percent, compared to the U.S. average of 65 percent.

Table A. Percent distribution of housing expenditures, United States and Boston metropolitan area, 2011-2012

Category	United States	Boston
Total Housing.....	100.0	100.0

Note: See footnotes at end of table.

Table A. Percent distribution of housing expenditures, United States and Boston metropolitan area, 2011–2012 - Continued

Category	United States	Boston
Shelter	58.5	61.0
Utilities, fuels, and public services	21.9	19.6
Household operations	6.8	7.4
Housekeeping supplies	3.6	2.9
Household furnishings and equipment	9.2	9.1

Note: Columns may not add to 100 due to rounding.

At 14.8 percent of the total budget, transportation was the second-largest expenditure category in the Boston area and was significantly below the national average of 17.1 percent. Among the 18 published metropolitan areas nationwide, 8 (including Boston) had below-average transportation shares; only one, Houston, had a share that was significantly above the average. (See table 3 and [chart 3](#).)

Of the \$9,610 in annual expenditures for transportation in Boston, 90.7 percent was spent buying and maintaining private vehicles; this compared to the national average of 93.9 percent. The remaining 9.3 percent of a Boston household's transportation budget was spent on public transit, which includes fares for taxis, buses, trains, and planes; this allocation compared with the 6.1-percent average for the nation. (See [table B](#).) The average number of vehicles per household in Boston (1.7) was below the national average of 1.9.

Table B. Percent distribution of transportation expenditures, United States and Boston metropolitan area, 2011–2012

Category	United States	Boston
Transportation	100.0	100.0
Vehicle purchases (net outlays)	34.0	34.7
Gasoline and motor oil	31.3	29.0
Other vehicle expenses	28.6	27.0
Public transportation	6.1	9.3

Note: Columns may not add to 100 due to rounding.

The portion of a Boston consumer unit's budget spent on food, 13.2 percent, was not significantly different than the 12.9-percent U.S. average. Among the 18 metropolitan areas, 3 had food expenditure shares that were significantly below the nationwide average; only Los Angeles reported a share for food above that for the nation. (See [table 3](#).)

Households in Boston spent \$5,408, or 63.2 percent, of their food dollars on food prepared at home and the remaining 36.8 percent (\$3,155) on food prepared away from home, such as restaurant meals, carry-out, board at school, and catered affairs. In comparison, the typical U.S. household spent 59.4 percent of its food budget on food prepared at home and 40.6 percent on food prepared away from home.

As noted, Boston is 1 of 18 metropolitan areas nationwide for which Consumer Expenditure Survey (CE) data are available.

Metropolitan area CE data and that for the four geographic regions of the United States are available on our Web site at <http://www.bls.gov/cex/tables.htm>. Metropolitan area CE news releases are available at

Data contained in this report are from the CE, which is collected on an ongoing basis by the U.S. Census Bureau for BLS. The CE data were averaged over a two-year period, 2011 and 2012 and are available for the nation, the 4 geographic regions of the country, and 18 metropolitan areas. The metropolitan area discussed in this release is Boston-Brockton-Nashua, Mass.-N.H.-Maine-Conn. which is comprised of select cities and towns in Windham, Conn.; Bristol, Essex, Hampden, Hampshire, Middlesex, Norfolk, Plymouth, Suffolk, and Worcester, Mass.; York, ME; Hillsborough, Merrimack, Rockingham, and Strafford, N.H. counties.

The survey consists of two components, a diary or recordkeeping survey, and an interview survey. The integrated data from the BLS Diary and Interview Surveys provide a complete accounting of consumer expenditures and income, which neither survey component alone is designed to do. Due to changes in the survey sample frame, metropolitan area data in this release are not directly comparable to those prior to 1996.

A consumer unit is defined as members of a household related by blood, marriage, adoption, or other legal arrangement; a single person living alone or sharing a household with others but who is financially independent; or two or more persons living together who share responsibility for at least 2 out of 3 major types of expenses – food, housing, and other expenses. The terms household or consumer unit are used interchangeably for convenience.

CE metropolitan area estimates are not comparative cost of living surveys, as neither the quantity nor the quality of goods and services has been held constant among areas. Differences may result from variations in demographic characteristics such as consumer unit size, age, preferences, income levels, etc. However, expenditure shares, or the percentage of a consumer unit's budget spent on a particular category, can be used to compare spending patterns across areas. Sample sizes for the metropolitan areas are much smaller than for the nation, so the U.S. estimates and year-to-year changes are more reliable than those for the metropolitan areas. Users should also keep in mind that prices for many goods and services have changed since the survey was conducted.

Expenditure shares for housing and transportation that are above or below that for the nation after testing for significance at the 95-percent confidence interval are also identified in charts 2 and 3 for the 18 metropolitan areas surveyed.

A value that is statistically different from another does not necessarily mean that the difference has economic or practical significance. Statistical significance is concerned with our ability to make confident statements about a universe based on a sample. It is entirely possible that a large difference between two values is not significantly different statistically, while a small difference is, since both the size and heterogeneity of the sample affect the relative error of the data being tested.

For additional technical documentation and related information, see www.bls.gov/opub/hom/homch16.htm

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200. Federal Relay Service: (800) 877-8339.

¹ See the Additional Information for the definition of a consumer unit. The terms consumer unit and

household are used interchangeably throughout the text for convenience.

Table 1. Percent distribution of average annual expenditures, United States and Boston metropolitan area, Consumer Expenditure Survey, 2011–2012

Category	United States	Boston
Average annual expenditures.....	\$50,581	\$64,982
Percent distribution.....	100.0	100.0
Food.....	12.9	13.2
Alcoholic beverages.....	0.9	1.3*
Housing.....	33.3	31.8*
Apparel and services.....	3.4	3.1
Transportation.....	17.1	14.8*
Healthcare.....	6.8	6.4
Entertainment.....	5.1	5.4
Personal care products and services.....	1.2	1.1*
Reading.....	0.2	0.3
Education.....	2.2	3.5*
Tobacco products and smoking supplies.....	0.7	0.7
Miscellaneous.....	1.6	2.0
Cash contributions.....	3.6	5.0
Personal insurance and pensions.....	10.9	11.6

*Statistically significant difference from the U.S. average at the 95-percent confidence level.

Note: Columns may not add to 100 due to rounding.

Table 2. Consumer unit characteristics and average annual expenditures, United States and Boston metropolitan area, Consumer Expenditure Survey, 2011–2012

Category	United States	Boston
Consumer unit characteristics		
Income before taxes.....	\$64,649	\$79,833
Age of reference person.....	49.9	50.5
Average number in consumer unit		
Persons.....	2.5	2.4
Children under 18.....	0.6	0.6
Persons 65 and over.....	0.3	0.4
Earners.....	1.3	1.4
Vehicles.....	1.9	1.7
Percent homeowner.....	65	63
Average annual expenditures		
Average annual expenditures.....	\$50,581	\$64,982
Food.....	6,529	8,563
Food at home.....	3,880	5,408
Cereals and bakery products.....	534	814
Meats, poultry, fish, and eggs.....	843	1,101
Dairy products.....	413	569
Fruits and vegetables.....	723	1,104
Other food at home.....	1,367	1,819
Food away from home.....	2,649	3,155
Alcoholic beverages.....	454	813
Housing.....	16,846	20,637
Shelter.....	9,858	12,583
Owned dwellings.....	6,101	7,749
Rented dwellings.....	3,109	3,548
Other lodging.....	648	1,286
Utilities, fuels, and public services.....	3,687	4,046
Household operations.....	1,141	1,526
Housekeeping supplies.....	612	606
Household furnishings and equipment.....	1,547	1,875
Apparel and services.....	1,738	2,022
Transportation.....	8,649	9,610
Vehicle purchases (net outlay).....	2,942	3,338
Gasoline and motor oil.....	2,706	2,787
Other vehicle expenses.....	2,472	2,593
Public transportation.....	529	893
Health care.....	3,436	4,135
Entertainment.....	2,589	3,485
Personal care products and services.....	631	710
Reading.....	112	166

Note: See footnotes at end of table.

Table 2. Consumer unit characteristics and average annual expenditures, United States and Boston metropolitan area, Consumer Expenditure Survey, 2011–2012 - Continued

Category	United States	Boston
Education.....	1,130	2,306
Tobacco products and smoking supplies.....	341	451
Miscellaneous.....	802	1,315
Cash contributions.....	1,818	3,251
Personal insurance and pensions.....	5,508	7,518
Life and other personal insurance.....	335	373
Pensions and Social Security.....	5,173	7,144

Source: U.S. Bureau of Labor Statistics

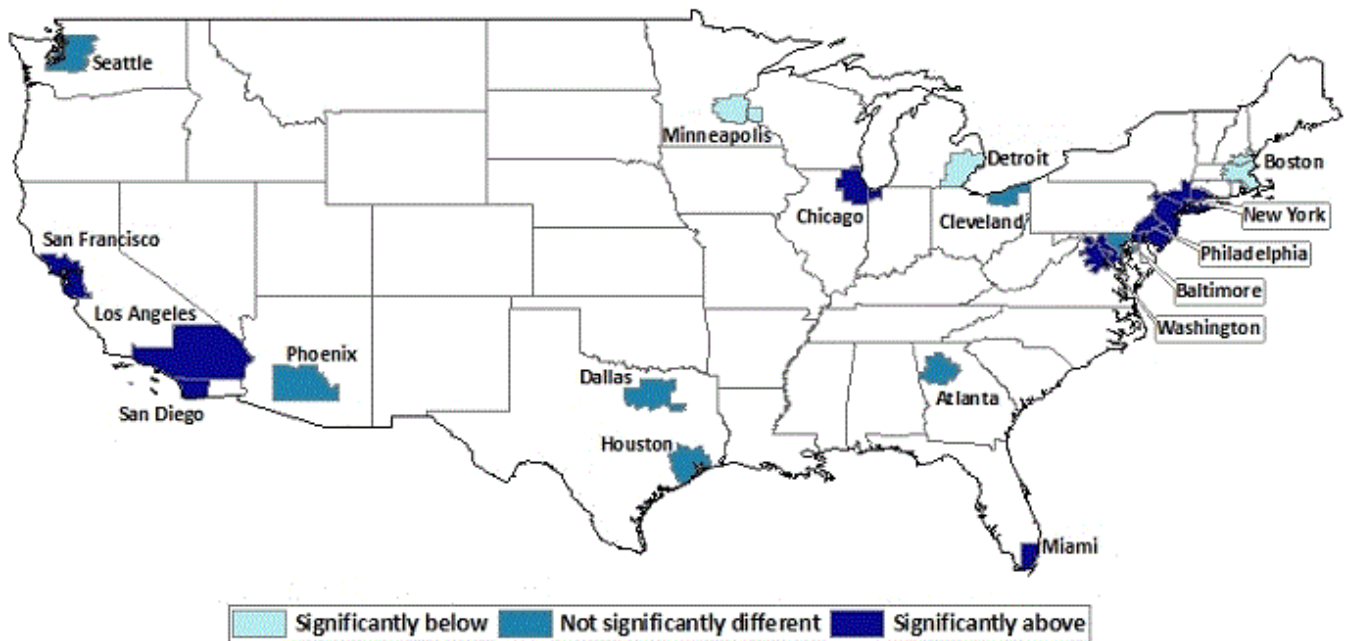
Table 3. Percent share of average annual expenditures for housing, transportation, and food, United States and 18 metropolitan areas, Consumer Expenditure Survey, 2011–2012

Area	Housing	Transportation	Food
United States	33.3	17.1	12.9
Atlanta	34.7	16.9	11.7*
Baltimore	33.8	13.7*	12.7
Boston	31.8*	14.8*	13.2
Chicago	34.9*	15.0*	12.3
Cleveland	31.9	17.8	12.3
Dallas	32.9	18.6	12.5
Detroit	31.7*	18.8	13.3
Houston	31.9	20.3*	12.5
Los Angeles	37.7*	16.0*	13.6*
Miami	38.4*	17.0	13.7
Minneapolis	31.8*	17.5	12.6
New York	39.7*	13.7*	12.4
Philadelphia	37.9*	14.4*	12.7
Phoenix	34.8	15.9	13.0
San Diego	38.5*	15.6	12.0
San Francisco	35.2*	14.2*	11.5*
Seattle	34.1	15.7	12.8
Washington	35.3*	15.0*	11.6*

*Statistically significant difference from the U.S. average at the 95-percent confidence level.

Source: U.S. Bureau of Labor Statistics.

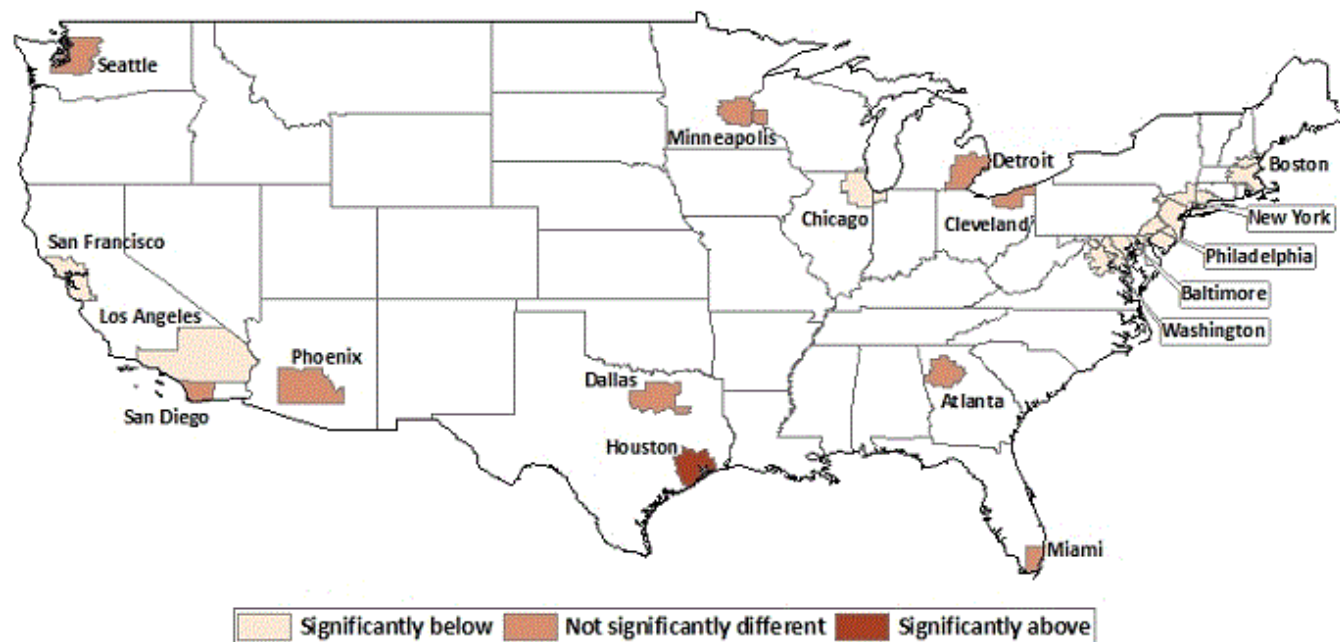
Chart 2. Expenditure shares spent on housing in 18 metropolitan statistical areas compared to the U.S. average, Consumer Expenditure Survey, 2011–2012



Note: Statistical significance testing at the 95-percent confidence interval.

Source: U.S. Bureau of Labor Statistics.

Chart 3. Expenditure shares spent on transportation in 18 metropolitan statistical areas compared to the U.S. average, Consumer Expenditure Survey, 2011-2012



Note: Statistical significance testing at the 95-percent confidence interval.

Source: U.S. Bureau of Labor Statistics.